



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Matthew K. Schatzman, Treasurer
Dynegy Inc. Political Action Committee
1000 Louisiana, Suite 5800
Houston, TX 77002

Identification Number: C00350363

JAN 16 2001

Reference: October Monthly Report (9/1/00-9/30/00)

Dear Mr. Schatzman:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Please amend Schedule B supporting Line 23 by providing the office sought (House, Senate or President) for each contribution made. 11 CFR §104.3(b)(3)(ii) and (v)

-Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Please amend your report to disclose the frequency of the deduction and the amount deducted per pay period. 11 CFR §104.8(b) Please refer to the enclosed sample of properly reported payroll deductions.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,

Angel L. Williamson
Reports Analyst
Reports Analysis Division

PAYROLL DEDUCTIONS

SCHEDULE A ITEMIZED RECEIPTS		Use separate Schedule A for each category of the Detailed Summary Page		PAGE OF
Contributions From Individuals				FDP Line Number 11(a)(b)
Any information copied from this Report or Statement may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.				
NAME OR COMMITTEE (if Part) National Organization PAC 000000001				
a. Full Name, Mailing Address and ZIP Code Anne Sullivan 21 18th Street City, State ZIP		Name of Employee National Organization, Inc. Position Branch Manager Approve Transactions > F	Date Trans. 8/18/94 payroll deduction	Amount of Ded. Payroll deduction \$80.00 (\$16 biweekly)
b. Full Name, Mailing Address and ZIP Code Rodney Jones 881 Hainbury Road City, State ZIP		Name of Employee National Organization, Inc. Position Vice President Approve Transactions > S	Date Trans. 8/18/94 payroll deduction	Amount of Ded. Payroll deduction \$140.00 (\$28 biweekly)
Receiver for <input type="checkbox"/> Person <input type="checkbox"/> General <input type="checkbox"/> One week:				

Itemize payroll deductions only after they have exceeded \$200 per calendar year from an individual.

Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, write "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.8(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct \$15 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's first-quarter contributions (\$90 for six pay periods) as "unitemized contributions" on Line 11(a)(ii) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are \$195—still below the \$200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See Item A in the illustration above.)

In-KIND CONTRIBUTIONS

When determining whether to itemize an in-kind contribution, follow the same guidelines listed above under "When to Itemize Receipts." See page 8 for information on how to determine the dollar value of an in-kind contribution.

In addition, add the value of the in-kind contribution to the operating expenditures total on Line 21(b) (in order to avoid inflating the cash-on-hand amount). 104.13(a)(2).

If the in-kind contribution must be itemized on Schedule A, then it must also be itemized on a Schedule B for operating expenditures. See the illustration at left.

IN-KIND CONTRIBUTIONS

SCHEDULE A ITEMIZED RECEIPTS		Use separate Schedule A for each category of the Detailed Summary Page		PAGE OF
Contributions From Individuals				FDP Line Number 11(a)(b)
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NAME OR COMMITTEE (if Part) National Organization PAC 000000001				
a. Full Name, Mailing Address and ZIP Code Martin L. Kress 4 River Road City, State ZIP		Name of Employee National Organization, Inc. Position Chairman Approve Transactions > F	Date Trans. 8/18/94 (\$X-KIND) RAFFLE PRIZE	Amount of Ded. (\$X-KIND) (\$285.00)

SCHEDULE B ITEMIZED DISBURSEMENTS		Use this as Schedule B for all the categories of the Detailed Summary Page		PAGE OF
Operating Expenditures/Other Federal				FDP Line Number B1(d)
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NAME OF COMMITTEE (if Part) National Organization PAC 000000001				
a. Full Name, Mailing Address and ZIP Code Martin L. Kress 4 River Road City, State ZIP		Method of Disbursement Mail to private Documentation Approve Transactions > F	Date Trans. 8/18/94 (\$X-KIND CONTRIBUTION)	Amount of Dis. (\$285.00)

Itemize in-kind contributions on both Schedules A and B so as not to inflate the cash-on-hand amount.

